

Assembly Joint Resolution

No. 53

**Introduced by Assembly Member Rendon
(Principal coauthor: Assembly Member Lowenthal)**

August 11, 2014

Assembly Joint Resolution No. 53—Relative to the National Freight Network Trust Fund Act of 2014.

LEGISLATIVE COUNSEL’S DIGEST

AJR 53, as introduced, Rendon. National Freight Network Trust Fund Act of 2014.

This measure would memorialize the Congress and President of the United States to enact HR 5101, the National Freight Network Trust Fund Act of 2014.

Fiscal committee: no.

1 WHEREAS, An estimated 1.15 billion tons of cargo, valued at
2 almost \$2,000,000,000,000, moves through California annually,
3 providing the goods and services needed to sustain regional and
4 national industries and consumers on a daily basis; and
5 WHEREAS, The national supply chain, national economy, and
6 international standing of the United States benefit from and depend
7 on goods movement; and
8 WHEREAS, Given the fact that the goods movement economic
9 sector is experiencing increased competition both nationally and
10 internationally, it is important that infrastructure improvements
11 be made to remove bottlenecks and move freight efficiently and
12 safely with minimal environmental impacts; and

1 WHEREAS, The federal government has begun to establish a
2 comprehensive national freight policy to facilitate the measured
3 and planned growth of interstate and international trade among
4 and between the states, our foreign neighbors, and from our
5 international airports and international seaports to domestic points
6 of destination, but the federal government does not have a plan in
7 place to fund those policies; and

8 WHEREAS, The traditional source of transportation funding is
9 revenue collected from the federal fuel tax (26 U.S.C. Sec. 4081),
10 and other sources, but this main source of funds has been stagnant
11 since 1993 and has struggled to keep pace with infrastructure
12 expenses in recent years as cars have become more fuel efficient;
13 and

14 WHEREAS, The transportation funding gap is projected to be
15 \$16,000,000,000 per year and the insolvency of the federal
16 Highway Trust Fund is projected to be imminent if immediate
17 action is not taken; and

18 WHEREAS, Given the large economic generator that goods
19 movement represents, freight movement should be funded from a
20 dedicated revenue stream; and

21 WHEREAS, A lack of significant investment in interstate and
22 international trade infrastructure in California has significant costs,
23 most notably the additional impacts of traffic congestion on our
24 local roads, highways, and railways and the emissions from
25 heavy-duty equipment, trains, trucks, and ships on air quality and
26 public health and the public financing burdens associated with
27 building and maintaining the transportation infrastructure necessary
28 to grow and facilitate interstate and international trade; and

29 WHEREAS, California taxpayers have recently committed
30 \$3,100,000,000 of taxpayer funds to improve goods movement
31 infrastructure and reduce air pollution from goods movement in
32 California; and

33 WHEREAS, The significant costs, both direct and indirect, of
34 facilitating interstate and international trade should not rest
35 primarily with the state, its local governments, or its citizens; and

36 WHEREAS, If the United States wishes to remain globally
37 competitive, the movement of goods should be prioritized with
38 the creation of a dedicated funding stream for a multimodal national
39 freight system that will create efficiencies in the movement of

1 goods between our cities, ports, and markets, both here and abroad;
2 and

3 WHEREAS, On July 6, 2012, the President signed Public Law
4 112-141 which, as a two-year federal transportation reauthorization,
5 established the Moving Ahead for Progress in the 21st Century
6 surface transportation program (MAP-21), which recognized the
7 importance of a strong freight network to ensure competitiveness
8 in the global economy; and

9 WHEREAS, The overarching themes of MAP-21 include
10 strengthening America's highways and public transportation
11 systems, creating jobs, supporting economic growth, accelerating
12 project delivery, and establishing performance-based federal
13 programming; and

14 WHEREAS, MAP-21 included a variety of freight-related
15 provisions, including establishing a national freight policy, plan,
16 and network, providing incentive funding for freight improvements,
17 encouraging states to form freight advisory committees, requiring
18 states to develop freight performance measures, requiring the
19 federal Department of Transportation to develop a Freight Strategic
20 Plan by October 2014, and maintaining the Projects of National
21 and Regional Significance Program funding for large
22 freight-oriented projects that provide long-term congestion relief
23 and safety improvements; and

24 WHEREAS, United States Customs and Border Protection
25 collects an estimated \$38,000,000,000 annually; and

26 WHEREAS, The transfer of 5 percent of all import duties
27 collected by United States Customs and Border Protection would
28 generate nearly \$1,900,000,000 annually; and

29 WHEREAS, It is necessary to create a dedicated funding source
30 to better serve our roads and railways that connect the freight
31 network to the ports of entry into this country; and

32 WHEREAS, A dedicated freight network trust fund would help
33 fund critical infrastructure projects, such as dedicated truck lanes
34 on highways, better bridges, and on-dock rail that would speed
35 goods movement, improve air quality, and reduce congestion on
36 our nation's roadways; and

37 WHEREAS, A dedicated freight network trust fund, as proposed
38 to be created by HR 5101, would infuse nearly \$2,000,000,000
39 back into the economy every year and create well-paying jobs here

1 in the United States while keeping our ports strong and globally
2 competitive; and

3 WHEREAS, All levels of government serve a vital role in freight
4 movement and a dedicated funding source is needed to facilitate
5 goods movement-related projects that will provide economic,
6 environmental, and quality of life benefits both nationally and
7 locally; now, therefore, be it

8 *Resolved by the Assembly and the Senate of the State of*
9 *California, jointly,* That the Legislature memorializes the Congress
10 and President of the United States to enact HR 5101, the National
11 Freight Network Trust Fund Act of 2014, as introduced by
12 Representative Janice Hahn, to improve performance of the national
13 freight network; and be it further

14 *Resolved,* That the Chief Clerk of the Assembly transmit copies
15 of this resolution to the President and Vice President of the United
16 States, the Speaker of the House of Representatives, the Majority
17 Leader of the Senate, and to each Senator and Representative
18 representing California in the Congress of the United States.